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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1588 West North Temple
Salt Lake City, Utah 84116
(801) 533-5771

June 20, 1977

MEMO TO: The Board of Oil, Gas, and Mining
FROM: Ronald W. Daniels, Coordinator of Mined Land Development
SUBJECT: KCC Contract and Sign-Off Authority

A. The following items are an addendum to "Mined Lands Reclamation Contract" beginning with item three (3) on page two:

"3. Add \$50,000.00 1977 dollars.

4. The operator agrees to conduct annual re-appraisal meetings with authorized representatives of the Board during which achievements of the previous year of reclamation work will be reviewed and by mutual agreement, the objectives of the next year of reclamation work and research will be formulated.

5. The operator agrees to appoint an individual familiar with on-going reclamation projects and accomplishments as liaison to the Board and as his representative for the aforementioned annual re-appraisal meetings. "

B. Kennecott proposed that the Utah Copper Division Chief, Mr. Pratt, be authorized to sign the reclamation surety contract with the Board, rather than requiring that the New York (corporate) office be the signing party.

I agree with this policy for KCC, as it will greatly simplify and shorten the contract approval process.

SW

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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
BOARD OF OIL, GAS AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

* MINED LANDS RECLAMATION CONTRACT *

THIS CONTRACT, made and entered into this _____ day of _____, 19____, between Kennecott Copper Corporation, Utah Copper Division, a corporation duly authorized and existing under and by virtue of the laws of the State of Utah as party of the first part, and hereinafter called the Operator, and the Board of Oil, Gas, and Mining, duly authorized and existing by virtue of the laws of the State of Utah, as party of the second part hereinafter called the Board.

WITNESSETH:

WHEREAS, the Operator is the owner and in possession of certain mining claims and/or leases hereinafter more particularly mentioned and described in Exhibit "A" attached hereto.

WHEREAS, the Operator did on the _____ 9th _____ day of August 19 76, file with the Division of Oil, Gas, and Mining, a "Notice of Intention to Commence Mining Operations" and a "Mining and Reclamation Plan" to secure authorization to engage, or continue to engage, in mining operations in the State of Utah, under the terms and provisions of the Mined Land Reclamation Act, Section 40-8, UCA, 1953;

WHEREAS, the Operator is able and willing to reclaim the above mentioned "lands affected" in accordance with the approved mining and reclamation plan, the Mined Land Reclamation Act and the rules and regulations adopted in accordance therewith.

WHEREAS, the Board has considered the factual information and recommendations provided by the staff by the Division of Oil, Gas, and Mining as to the magnitude, type and costs of the approved reclamation activities planned for the land affected.

WHEREAS, the Board is cognizant of the nature, extent, duration of operations, the financial status of the Operator and his capabilities of carrying out the planned work.

NOW THEREFORE, for and in consideration of the mutual covenants of the parties by each to the other made and herein contained, the parties hereto agree as follows:

1. The Operator promises to reclaim the land affected in accordance with the approved mining and reclamation plan, the Mined Land Reclamation Act, and the rules and regulations adopted in accordance therewith.
2. The Board, in lieu of the posting of a bond or other surety, accepts the personal guarantee of the Operator to reclaim the land affected.
3. The Board and the Operator both agree that the Operator will not be obligated to expend a sum in excess of \$25,000 annually on the said reclamation work.

IN WITNESS WHEREOF, the parties of the first and second parts hereto have respectively set their hands and seals this _____ day of

_____ 19 ____.

KENNECOTT COPPER CORPORATION,
Utah Copper Division

By: _____
Its General Manager

ATTEST:

BOARD OF OIL, GAS, AND MINING

By: _____
Chairman

STATE OF UTAH)
 : ss
COUNTY OF SALT LAKE)

On this _____ day of _____, 1975, personally appeared before me R. N. Pratt, known to me to be the General Manager of Kennecott Copper Corporation, Utah Copper Division, who duly acknowledged to me that the foregoing instrument was executed on behalf of said corporation.

Notary Public
Residing at Salt Lake City, Utah

My Commission Expires:

APPROVED
Per _____
Notary Public
